

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1147

To encourage liberalization inside the People's Republic of China and Tibet.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1995

Mr. LANTOS (for himself, Ms. PELOSI, Mr. SMITH of New Jersey, and Mr. SOLOMON) introduced the following bill; which was referred to the Committee on International Relations

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## A BILL

To encourage liberalization inside the People's Republic of China and Tibet.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. STATEMENT OF PRINCIPLES.**

4       (a) PURPOSE.—It is the purpose of this Act to create  
5       principles governing the conduct of United States eco-  
6       nomic cooperation projects in the People's Republic of  
7       China and Tibet.

8       (b) PRINCIPLES.—It is the sense of the Congress that  
9       any United States economic cooperation project in the

1 People's Republic of China or Tibet should adhere to the  
2 following principles:

3           (1) Suspend the use of all goods, wares, arti-  
4           cles, and merchandise that are mined, produced, or  
5           manufactured, in whole or in part, by convict labor  
6           or forced labor if there is reason to believe that the  
7           material or product is produced or manufactured by  
8           such convict or forced labor, and refuse to use forced  
9           labor in the project.

10          (2) Seek to ensure that political or religious  
11          views, sex, ethnic or national background, involve-  
12          ment in political or labor activities or nonviolent  
13          demonstrations, or association with suspected or  
14          known dissidents will not prohibit hiring, lead to  
15          harassment, demotion, or dismissal, or in any way  
16          affect the status or terms of employment in the  
17          project. The United States parent company of the  
18          United States economic cooperation project should  
19          not discriminate in terms or conditions of employ-  
20          ment in the project against persons with past  
21          records of arrests or internal exile for nonviolent  
22          protest or membership in unofficial organizations  
23          committed to nonviolence.

24          (3) Ensure that methods of production used in  
25          the project do not pose an unnecessary physical dan-

1       ger to workers and neighboring populations and  
2       property and that the project does not unnecessarily  
3       risk harm to the surrounding environment, and con-  
4       sult with community leaders regarding environ-  
5       mental protection with respect to the project.

6           (4) Strive to use business enterprises that are  
7       not controlled by the Government of the People's  
8       Republic of China or its authorized agents and de-  
9       partments as potential partners in the project.

10          (5) Prohibit any military presence on the prem-  
11       ises of the operations of the project.

12          (6) Undertake to promote freedom of associa-  
13       tion and assembly among the employees of the  
14       project. The United States economic cooperation  
15       project should protest any infringement by the Gov-  
16       ernment of the People's Republic of China of these  
17       freedoms to the appropriate authorities of that Gov-  
18       ernment and to the International Labor Organiza-  
19       tion, which has an office in Beijing.

20          (7) Use every possible channel of communica-  
21       tion with the Government of the People's Republic  
22       of China to urge that government to disclose publicly  
23       a complete list of all those individuals arrested since  
24       March 1989, to end incommunicado detention and  
25       torture, and to provide international observers access

1 to all places of detention in the People's Republic of  
2 China and Tibet and to trials of prisoners arrested  
3 in connection with the pro-democracy events of April  
4 through June of 1989 and the pro-democracy dem-  
5 onstrations which have taken place in Tibet since  
6 1987.

7 (8) Discourage or undertake to prevent compul-  
8 sory political indoctrination programs from taking  
9 place on the premises of the operations of the  
10 project.

11 (9) Promote freedom of expression, including  
12 the freedom to seek, receive, and impart information  
13 and ideas of all kinds, regardless of frontiers, either  
14 orally, in writing or in print, in the form of art, or  
15 through any media. To this end, the United States  
16 economic cooperation project should raise with ap-  
17 propriate authorities of the Government of the Peo-  
18 ple's Republic of China concerns about restrictions  
19 on the importation of foreign publications.

20 (10)(A) Undertake to prevent harassment of  
21 workers who, consistent with the United Nations  
22 World Population Plan of Action, decide freely and  
23 responsibly the number and spacing of their chil-  
24 dren.

1 (B) Prohibit compulsory population control ac-  
2 tivities on the premises of the operations of the  
3 project.

4 (c) PROMOTION OF PRINCIPLES BY OTHER NA-  
5 TIONS.—The Secretary shall forward a copy of the prin-  
6 ciples set forth in subsection (b) to the member nations  
7 of the Organization for Economic Cooperation and Devel-  
8 opment and encourage them to promote principles similar  
9 to these principles.

10 **SEC. 2. REGISTRATION REQUIREMENT.**

11 (a) IN GENERAL.—Each United States parent com-  
12 pany conducting a United States economic cooperation  
13 project in the People’s Republic of China or Tibet shall  
14 register with the Secretary and indicate whether such  
15 company agrees to implement the principles set forth in  
16 section 1(b). No fee shall be required for registration  
17 under this subsection.

18 (b) EFFECTIVE DATE.—The registration require-  
19 ment of subsection (a) shall take effect 6 months after  
20 the date of the enactment of this Act.

21 **SEC. 3. REPORTING REQUIREMENTS.**

22 (a) REPORT.—Each United States parent company  
23 conducting a United States economic cooperation project  
24 in the People’s Republic of China or Tibet shall report  
25 to the Secretary describing such company’s adherence to

1 the principles. Such company shall submit a completed re-  
2 porting form furnished by the Secretary. The first report  
3 shall be submitted not later than 1 year after the date  
4 on which the national registers under section 2 and not  
5 later than the end of each 1-year period occurring there-  
6 after.

7 (b) REVIEW OF REPORT.—The Secretary shall review  
8 each report submitted under subsection (a) and determine  
9 whether the United States parent company submitting the  
10 report is adhering to the principles. The Secretary may  
11 request additional information from the United States  
12 parent company and other sources to verify the informa-  
13 tion contained in the report submitted by the company.

14 (c) ANNUAL REPORT.—The Secretary shall submit a  
15 report to the Congress and to the Secretariat of the Orga-  
16 nization for Economic Cooperation and Development de-  
17 scribing the level of adherence to the principles by United  
18 States parent companies subject to the reporting require-  
19 ment of subsection (a). This report shall be submitted not  
20 later than 2 years after the date of the enactment of this  
21 Act and not later than the end of each 1-year period occur-  
22 ring thereafter.

23 **SEC. 4. EXPORT MARKETING SUPPORT.**

24 (a) SUPPORT.—A Federal agency may intercede with  
25 a foreign government or foreign national regarding export

1 marketing activity in the People's Republic of China or  
2 Tibet on behalf of a United States parent company subject  
3 to the reporting requirements of section 3(a) only if that  
4 company adheres to the principles.

5 (b) EFFECTIVE DATE.—Subsection (a) shall take ef-  
6 fect 2 years after the date of enactment of this Act.

7 **SEC. 5. DEFINITIONS.**

8 For purposes of this Act—

9 (1) the terms “adhere to the principles”, “ad-  
10 hering to the principles” and “adherence to the prin-  
11 ciples” mean—

12 (A) agreeing to implement the principles  
13 set forth in section 1(b);

14 (B) implementing those principles by tak-  
15 ing good faith measures with respect to each  
16 such principle; and

17 (C) reporting accurately to the Secretary  
18 on the measures taken to implement those prin-  
19 ciples;

20 (2) the term “intercede with a foreign govern-  
21 ment or foreign national” includes any contact by an  
22 officer or employee of the United States with offi-  
23 cials of any foreign government or foreign national  
24 involving or contemplating any effort to assist in  
25 selling a good, service, or technology in the People's

1 Republic of China or Tibet, except that such term  
2 does not include multilateral or bilateral govern-  
3 ment-to-government trade negotiations intended to  
4 resolve trade issues which may affect United States  
5 parent companies who do not adhere to the prin-  
6 ciples;

7 (3) the term “organized under the laws of the  
8 United States” means organized under the laws of  
9 the United States, any State of the United States,  
10 the District of Columbia, the Commonwealth of  
11 Puerto Rico, the Commonwealth of the Northern  
12 Mariana Islands, or any other territory or possession  
13 of the United States;

14 (4) the term “Secretary” means the Secretary  
15 of State;

16 (5) the term “United States economic coopera-  
17 tion project” means—

18 (A) an equity joint venture, a cooperative  
19 joint venture, or a wholly foreign-owned enter-  
20 prise established under the laws of the People’s  
21 Republic of China, in which—

22 (i) a corporation, partnership, wholly-  
23 owned subsidiary, or other business asso-  
24 ciation organized under the laws of the  
25 United States is an investor, or



1           (ii) a corporation, partnership, or  
2           other business association organized under  
3           the laws of a country other than the  
4           United States or under the laws of a terri-  
5           tory or possession of a country other than  
6           the United States, which is wholly owned  
7           by a corporation, partnership, or other  
8           business association organized under the  
9           laws of the United States, is an investor,  
10          and which employs more than 50 individuals in  
11          the People's Republic of China or Tibet; or

12          (B) a branch office or representative of-  
13          fice—

14               (i) of a corporation, partnership, whol-  
15               ly-owned subsidiary, or other business as-  
16               sociation organized under the laws of the  
17               United States, or

18               (ii) of a corporation, partnership, or  
19               other business association organized under  
20               the laws of a country other than the Unit-  
21               ed States or under the laws of a territory  
22               or possession of a country other than the  
23               United States, which is wholly owned by a  
24               corporation, partnership, or other business

1           association organized under the laws of the  
2           United States,

3           which employs more than 25 individuals in the  
4           People's Republic of China or Tibet; and

5           (6) the term "United States parent company"  
6           means a corporation, partnership, or other business  
7           association organized under the laws of the United  
8           States which is—

9           (A) the direct investor in a United States  
10          economic cooperation project described in para-  
11          graph (5)(A)(i), or the sole owner of the inves-  
12          tor in a United States economic cooperation  
13          project described in paragraph (5)(A)(ii); or

14          (B) the registrant in the People's Republic  
15          of China of a branch office or representative of-  
16          fice described in paragraph (5)(B)(i), or the  
17          sole owner of the registrant of a branch office  
18          or representative office described in paragraph  
19          (5)(B)(ii).

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